GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:580
ANSWERED ON:24.11.2006
INDIA`S CONTRIBUTION TO IMF
Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

(a) whether contribution of India to the International Monetary Fund has dropped to 1.91 per cent from 1.95 per cent;

(b) if so, the reasons therefor;

(c) whether IMF reforms increased the voting rights for emerging economies to reflect their growing contribution to world economy;

(d) if so, the details thereof;

(e) whether the new reforms formula is likely to affect India`s receiving share from IMF; and

(f) if so, the details thereof and the future strategy likely to be adopted by India with friendly nations?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) Yes, Sir.

(b) Owing to a modest `ad hoc` quota increase for four countries identified as most underrepresented countries in the IMF (China, South Korea, Mexico and Turkey), share of all remaining countries in total quota of the IMF has consequently decreased proportionately.

(c) to (f) : Apart from the ad hoc increase referred to above, the IMF has not put forward any concrete proposal on IMF reforms as yet, including on a new quota formula. The IMF has resolved that the package of reforms in this regard be viewed as a two-year program to be completed by the Annual Meetings in 2008. It would, therefore, not be possible to speculate on this issue at present.